

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
AUGUST 4, 2010**

DIRECTORS PRESENT

Jim Haselton, Committee Chair
Glenn Acosta, Committee Alternate

STAFF PRESENT

Don Chadd, General Manager
Teresa Teichman, District Secretary
Karen Warner, Accounting Technician
Michael Perea, Special Projects Manager

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Haselton called the August 4, 2010 Finance/Audit Committee Meeting to order at 7:00 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

There were no Director comments

REPORT FROM THE GENERAL MANAGER

General Manager, Mr. Don Chadd, advised he anticipates meeting with Irvine Ranch Water District and El Toro Water District later in the month to discuss finance options as it relates to the Baker Water Treatment Plant Project.

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FINANCIAL MATTERS

ITEM NO. 1) FINANCE/AUDIT COMMITTEE MEETING RECAP

The July 7, 2010 Finance/Audit Committee Meeting Recap was presented to the Committee. No changes were made.

Recommendation: *The Committee recommended that the July 7, 2010 Finance/Audit Committee Meeting Recap be received and filed by the Board. (Consent Calendar).*

**ITEM NO. 2) RATIFICATION OF DIRECTORS' FEES AND EXPENSES
AND FUTURE MEETINGS**

The Committee reviewed this matter.

Recommendation: *The Committee recommended that the Board ratify the Directors' expenses for June 2010, fees for July 2010. (Consent Calendar.)*

**ITEM NO. 3) STATUS UPDATE RELATING TO WATER MONITORING
AND WATER CONSERVATION EFFORTS**

Mr. Chadd provided an update. There were no anomalies to report.

Recommendation: *The Committee received and filed the status update. No action necessary.*

**ITEM NO. 4) DISCUSSION REGARDING FIXING THE EMPLOYER'S
CONTRIBUTION UNDER THE PUBLIC EMPLOYEES'
MEDICAL AND HOSPITAL CARE ACT**

Mr. Michael Perea, Special Projects Manager, provided background information as to the established District benchmark and provided a chart depicting new health premium rates along with the percentage of increase. A breakdown of plans and rates was provided as a reference.

Recommendation: *The Committee received the information and recommended forwarding to the Board. (Action Calendar).*

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**ITEM NO. 5) DISCUSSION REGARDING EXPANSION OF CAL BANK
SERVICES FOR PAYMENT OF VENDOR ACCOUNTS**

Mr. Chadd reviewed the current method of vendor payments with the committee and explained the ACH payment option which Cal Bank administers.

Mr. Chadd discussed the benefits of this payment option including guaranteed on time payments, more efficient management of accounts, and reduced banking and postal fees.

Recommendation: *The Committee received the information and recommended forwarding to the Board. (Action Calendar).*

ITEM NO. 6) OTHER MATTERS

Mr. Chadd advised Michael Perea, Special Projects Manager, and he met with Kelly Hubbard of MWDOC for an overview of Alert OC. Alert OC is Orange County's regional public mass notification system which the County of Orange is providing as a free service through 2012.

Mr. Chadd noted the majority of TCWD's customers that would elect to sign up for this service would most likely already be registered through the City of Rancho Santa Margarita's reverse 911 system which would be a duplication of services.

Mr. Chadd also reminded the committee of TCWD's Call-Em-All system which is already arranged by District meter reading routes. Mr. Chadd advised until such time that there is a cost for this service, TCWD may want to consider participation.

Recommendation: *The Committee received the information and recommended forwarding to the Board. (Action Calendar).*

**ITEM NO. 7A) PRESENTATION OF JUNE, 2010 UNAUDITED
FINANCIAL STATEMENT**

Mr. Chadd reviewed the June 30, 2010 preliminary unaudited financial statement including total assets, liabilities and retained earnings, WRES balance demonstrating a dedicated revenue source, and investment schedule.

Recommendation: *The Committee recommended that the Board receive and file the June 30, 2010 preliminary unaudited financial statement, as presented. (Consent Calendar).*

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ITEM NO. 7B) BILLS FOR CONSIDERATION

The bills for consideration were presented.

Recommendation: *The Committee recommended that the Board ratify payment of the August 4, 2010 bills for consideration in the amount of \$215,543.99 and the July 2010 payroll in the amount of \$157,294.45, as presented. (Consent Calendar).*

ADJOURNMENT

Committee Chair Haselton adjourned the August 4, 2010 Finance/Audit Committee Meeting at 7:25 a.m.